

**City of Milpitas
Economic Development Commission
Monday, May 9, 2005**

APPROVED MINUTES

I. Flag Salute

Chairman Dhaval Brahmbhatt called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

II. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Tomo Tuong Nguyen (Alt. No. 1)
Donald Peoples
Vincent Songcayawon
Charlene Tsao (Alt. No. 2)

Commissioners Absent: None

Council Liaison: Mayor Jose Esteves

City Staff Present: Cindy Maxwell

Chair Brahmbhatt appointed Commissioners Nguyen and Tsao to fill the vacant Commission seats.

III. Announcements

Analyst Maxwell announced the Open Government Ordinance was adopted by the City Council and described changes affecting the Commission. Vice Chair DeSmidt announced the Rotary Carnival. Commissioner Maglalang announced the Filipino Fiesta produced by the Fil Am Association of Milpitas. Commissioner McDonough described the upcoming office move for the Milpitas Chamber of Commerce. Mayor Esteves noted that Dr. Karl Black would designate a replacement from the school district for the Commission. Chair Brahmbhatt announced an upcoming nanotech conference.

IV. Presentations

Mayor Esteves presented Commissioner Songcayawon with his commendation for service in 2004.

V. Citizens Forum

There were no comments from the public.

VI. Agenda

Motion to approve the agenda as submitted.

M/S: McDonough /Nguyen

Ayes: All Noes: None Absent: None

VII. Minutes

Commissioner Nguyen addressed the second paragraph of agenda item 2 on the March 14 minutes. He indicated the minutes incorrectly reflected his comments regarding the Chamber of Commerce and fundraising. He asked that it be changed to a suggestion that the Chamber ask the City for funding rather than the Chamber consider a fundraising campaign.

Motion: Approve the March 14, 2005 minutes as amended.

M/S: McDonough/Maglalang

Ayes: All Noes: None Absent: None

Motion: Approve the April 11, 2005 minutes as submitted.

M/S: Maglalang/DeSmidt

Ayes: All Noes: None Absent: None

VIII. Unfinished Business

3. Economic Strategic Plan

Maxwell briefly reviewed the Plan and the staff recommendations. The Chair requested that the Commission review and act on the staff recommendations individually.

Objective 1A – Build and maintain an effective place branding strategy

The Commission discussed how the membership of the Stakeholder Committee would be determined and who the Committee would report to.

Motion to amend and approve the staff recommended revision to Objective 1A and (1) Combine the first two strategies and (2) Clarify that the Committee is ad hoc and that the City Council will approve the final vision and brand strategy. The motion also included the following clarifications to Objective 1A: (a) the Economic Development Commission (EDC) will recommend and the City Council will make final determination of membership of the Stakeholder Committee, and (b) the Stakeholder Committee will report to and work under the guidance of EDC.

M/S: Peoples/McDonough

Ayes: All Noes: None Absent: None

Objective 2A – Diversify mix of retailers within the Midtown area

The Commission discussed the Midtown Plan and the Transit Area Plan.

Motion to amend and approve the staff recommended revision to the first strategy of Objective 2A by listing “the Transit Area Plan and any future long-range planning documents” along with the Midtown Plan and deleting from the second strategy the words “continue and enhance existing campaigns to”.

M/S: Songcayawon/DeSmidt

Ayes: All Noes: None Absent: None

Objective 2B – Expand the existing regional shopping opportunities in the area that includes the Great Mall

The Commission discussed the staff recommendation and its potential impact on implementation.

Motion to amend and approve the staff recommendation for Objective 2B to combine strategies 3, 4 and 5.

M/S: Peoples/McDonough

Ayes: All Noes: None Absent: None

Objective 2C – Optimize use of land at the Great Mall

Commissioner Peoples pointed out that the Transit Subarea Plan shows small buildings around the Great Mall.

Motion to approve the staff recommendation to delete Objective 2C in its entirety.

M/S: Peoples/Songcayawon

Ayes: All Noes: None Absent: None

Objective 3 – Improve the balance of housing opportunities and job opportunities by increasing the percentage of Milpitas workers who live in Milpitas

Commissioner Songcayawon requested a copy of the City's Housing Element. Richard Ruth, Milpitas resident, discussed the process and income categories for the Housing Element and described the City's efforts to develop above moderate-income housing. The Commission discussed the necessity of mentioning the need for additional upscale housing in Milpitas.

Motion to amend and approve the staff recommendations for Objective 3 to (a) revise the first strategy to read "Enhance the range of choices in housing and neighborhoods, including executive market rate housing, through continued implementation of the Housing Element and Midtown Plan" and (b) delete the second strategy.

M/S: Peoples/Songcayawon

Ayes: All Noes: None Absent: None

Objective 4 – Retain and expand existing Milpitas-based companies and create linkages between these companies and Milpitas' community organizations and schools.

Commissioner Peoples stated he felt there was no substance in the proposed strategies for this objective and suggested the EDC consider the following list of strategy topics:

1. Business Improvement District
2. HUB or Enterprise Zones
3. Vacant building database
4. Business incentive location program
5. Nanotechnology
6. Conversion of industrial to residential

Business Improvement District (BID): Commissioner Peoples described a BID and suggested the language in the Midtown Plan be used.

Motion to include a strategy for Objective 4 to consider the establishment of a Business Improvement District.

M/S: Peoples/Maglalang

Ayes: All Noes: None Absent: None

HUB and Enterprise Zones: The Commission discussed the nature and scope of HUB and Enterprise Zones.

Motion to include a strategy for Objective 4 to consider the establishment of HUB and Enterprise Zones.

M/S: Brahmbhatt/DeSmidt

Ayes: All Noes: None Absent: None

Vacant building database: Commissioners noted that the City already has a vacant building inventory on the City's web page. It was the consensus of the Commission not to include a strategy related to this topic.

Business incentive location program: The Commission discussed the importance of having a flexible program and addressing the use of vacant nonresidential buildings.

Motion to add a strategy to Objective 4 to develop a business location incentive program that is flexible, depending on needs, and emphasizes the use of existing vacant nonresidential buildings.

M/S: DeSmidt/McDonough

Ayes: All Noes: None Absent: None

Nanotechnology: The Commission discussed the development of an industrial complex that would attract nanotechnology incubator companies.

Motion to add a strategy to Objective 4 to consider development of an industrial facility that would attract nanotechnology companies.

M/S: DeSmidt/Songcayawon

Ayes: All Noes: None Absent: None

The Chair asked how the City could benefit from San Francisco's biotech industry and stem cell research. The Mayor advised the Commission that the strategies would be more effective if they did not use the word "encourage". The Mayor left the meeting.

Conversion of industrial to residential: The Commission discussed the need for a strategy to address industrial to residential conversions. It was noted that the Transit Area Plan project might study this issue. It was the consensus of the Commission not to include a strategy on this topic under Objective 4.

Commissioner Songcayawon proposed that a strategy be added to consider funding support for photovoltaic panels for businesses. Discussion followed regarding the use of

photovoltaic panels, a similar program provided by the City of Fremont, program implementation issues such as the use of parking areas, and possible costs to the City.

Motion to add a strategy to Objective 4 to consider development of an energy-saving program to support installation of photovoltaic panels in existing nonresidential buildings.

M/S: Songcayawon/Maglalang

Ayes: All Noes: None Absent: None

Motion to approve staff recommendation no. 3, to add a strategy to Objective 4, to develop a business retention program.

M/S: Peoples/DeSmidt

Ayes: All Noes: None Absent: None

Motion to delete the second strategy of Objective 4 related to supporting new housing near retail centers.

M/S: Brahmbhatt/Songcayawon

Ayes: All Noes: None Absent: None

Motion to Revise Goal 4 to read, "Retain and support the success of existing and new businesses".

M/S: Songcayawon/Peoples

Ayes: All Noes: None Absent: None

Motion to remove the second sentence of the first implementation strategy under Objective 4.

M/S: Brahmbhatt/Nguyen

Ayes: All Noes: None Absent: None

The Commission discussed the need to add a strategy regarding improvements to the City's permit process, where the strategy should be located and how it should be written.

Motion to add a strategy to Objective 4 to consider a process to identify and update streamlined planning and permit processes to keep pace with the challenges of new and emerging technologies to develop competitive advantages for future business development in Milpitas.

M/S: Maglalang/Songcayawon

Ayes: All Noes: None Absent: None

Motion to revise Objective 5A and 5B to begin with "Consider the establishment of..."

M/S: Peoples/Nguyen

Ayes: All Noes: None Absent: None

The Commission returned to discussing Goal 1.

Motion to incorporate the gateway signs project into the implementation strategies for Goal 1, such as “continue to develop gateway signs at city entrances and investigate the feasibility of a directional sign at the San Jose International Airport.”

M/S: Nguyen/Songcayawon

Ayes: All Noes: None Absent: None

Commissioner Nguyen suggested that marketing City mementos be considered a short-term goal. Discussion followed regarding short and long-term goals. Chair Brahmhatt suggested that the City consider establishing an ethnic business center like a “little Manila”.

Motion to recommend to the City Council, approval of the Goals and Strategies of the Economic Strategy Plan, with the revisions outlined tonight by the Commission.

M/S: Peoples/DeSmidt

Ayes: All Noes: None Absent: None

Motion to direct staff to forward the Economic Strategy Plan to the City Council with a cover page including the signatures of all the Economic Development Commission members.

M/S: Peoples/Songcayawon

Ayes: All Noes: None Absent: None

Motion that all Commission members attend the City Council meeting and help present the Plan.

M/S: Peoples/Maglalang

Ayes: All Noes: None Absent: None

The Chair directed staff to send a copy of the final Economic Strategy Plan for review.

IX. Unfinished Business

3. July 4 Parade

Commissioner Nguyen asked who would participate in the parade and asked for ideas. It was the consensus of the Commission that Commissioner Nguyen will find a convertible automobile. There was discussion about having a banner or signs and a small postcard to distribute. Staff was asked to investigate the appropriateness of using the Commission’s budget for the supplies. It was the consensus of the Commission to use donations from the members to pay for the supplies if City funds were not used.

The Chair directed staff to continue the other agenda items (Transient Occupancy Tax and 2006 Meeting Dates) to the June 13 Commission meeting.

X. Adjournment

The Chairman adjourned the meeting at 8:40 p.m.

Respectfully submitted, Cynthia Maxwell, Principal Analyst